

Alaska District

Public Notice of Application for Permit

Regulatory Division (1145) CEPOA-RD 3437 Airport Way #206 Fairbanks, Alaska 99709

PUBLIC NOTICE DATE:

April 19, 2007

EXPIRATION DATE:

May 04, 2007

REFERENCE NUMBER:

POA-2007-663-4

WATERWAY:

Wolf Creek

Interested parties are hereby notified that a Department of the Army permit application has been received for work in waters of the United States as described below and shown on the enclosed project drawings.

APPLICANT: Earth Movers of Fairbanks, 925 Aurora Drive, Fairbanks, Alaska 99709

AGENT: Jeff Keener, % Earth Movers of Fairbanks, 925 Aurora Drive, Fairbanks, Alaska 99709

<u>LOCATION</u>: The project site is located within Section 17, 18, 19, and 20, T. 3 N., R. 2 E., Fairbanks Meridian; USGS Quad Map Livengood A-1 SW; Latitude 65.0802° N., Longitude 147.4068° W.; near Fox, Alaska.

PURPOSE: The applicant's stated purpose is gold exploration.

PROPOSED WORK: Trenching excavation of approximately 7,704 cubic yards (cy) of fill material from 0.94 acres of wetlands into approximately 0.99 acres of wetlands for exploration. All work would be completed in accordance with the attached plans, sheets 1-6, dated 17 April 2007.

ADDITIONAL INFORMATION: This project will be completed in two phases. The first phase will be the exploration. 12 trenches will be cut across the strike of known lodes located on both federal and state mining claims. Samples will be collected and analyzed for gold and other valuable metals and tested for metallurgical properties. If Earth Movers decides to conduct bulk sampling, an amendment will be submitted and the second phase would occur.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification, as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

<u>CULTURAL RESOURCES</u>: The latest published version of the Alaska Heritage Resources Survey (AHRS) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of

Historic Places. There are two unevaluated properties in the vicinity of the worksite. They have been designated LIV-00429, Cleary Creek Feeder Ditch and Gate and LIV-00430 Cleary Creek Siphon Outlet. Because the properties have been determined to be outside of the project area, no further action is required. Consultation of the AHRS constitutes the extent of cultural resource investigations by the District Engineer at this time. This application is being coordinated with SHPO. Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area.

ESSENTIAL FISH HABITAT: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

Preliminarily, the described activity will not affect EFH in the project area. This Public Notice initiates EFH consultation with the NMFS. Any comments or recommendations they may have concerning EFH will be considered in our final assessment of the described work.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between Federally recognized Tribes and the Federal government. Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This Public Notice serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period.

<u>PUBLIC HEARING</u>: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that

would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(l) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Mary Romero at (907) 474-2166 or by email at mary.r.romero@poa02.usace.army.mil if further information is desired concerning this notice.

AUTHORITY: This permit will be issued or denied under the following authorities:

(X) Discharge dredged or fill material into waters of the United States - Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

Project drawings and Notice of Application for State Water Quality Certification are enclosed with this Public Notice.

District Commander
U.S. Army, Corps of Engineers

Enclosures

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER
401 Certification Program
Non-Point Source Water Pollution Control Program

DEPARTMENT OF ENVIRONMENTAL CONSERVATION WQM/401 CERTIFICATION 555 CORDOVA STREET ANCHORAGE, ALASKA 99501-2617 PHONE: (907) 269-7564/FAX: (907) 334-2415

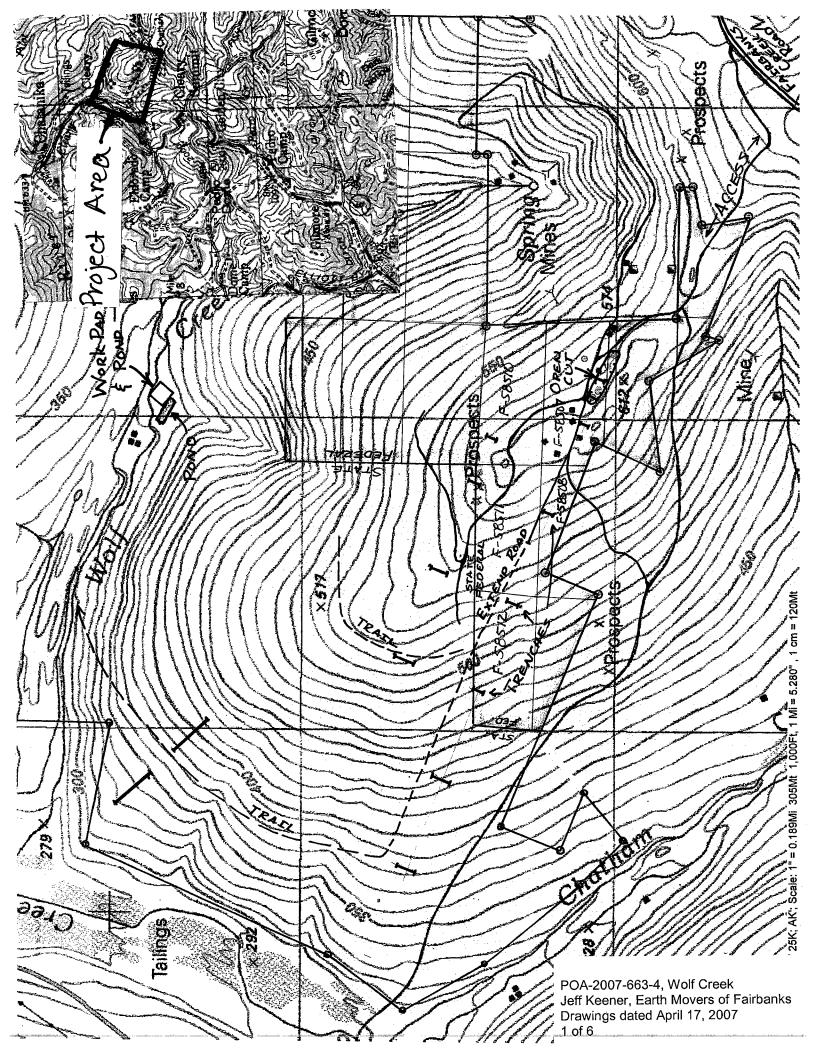
NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. POA-2007-663-4, Wolf Creek, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

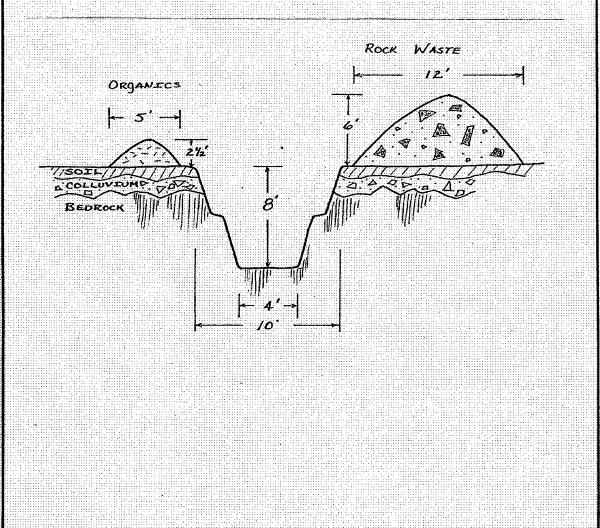
Any person desiring to comment on the project, with respect to Water Quality Certification, may submit written comments to the address above by the expiration date of the Corps of Engineer's Public Notice.



EARTH MOVERS OF FAIRBANKS, INC.

CHRISTINA VEIN EXPLORATION PROJECT LIVENGOOD (A-1)... N65° 4.15', W147°22.70' MULTI-YEAR PLAN 2007 TO 2008 APMA F-079744 BLM FF-094463 11 APRIL 2007 NOT TO SCALE

Cross-Section through Exploration Trench..... Trenches will vary from 4 to 10 feet wide and from 4 to 10 feet deep. Organic material and topsoil will be placed on one side of the trench and rock waste will be placed on the other side. Small rock samples (10 to 200 lbs each) will be collected by grab or channel within the trench. Trenches are reclaimed by backfilling with rock waste and graded over with reserved soil and organic material.



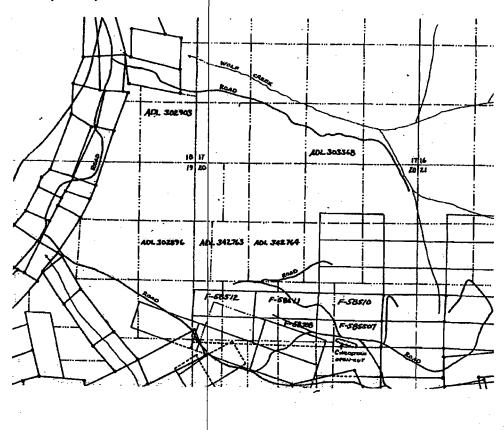
METALLOGENY, INC.

EARTH MOVERS OF FAIRBANKS, INC.

CHRISTINA VEIN EXPLORATION PROJECT LIVENGOOD (A-1)... N65° 4.15', W147°22.70' MULTI-YEAR PLAN 2007 TO 2008 APMA F-079744 BLM FF-094463 17 March 2007

Claim Map...Exploration activity is planned on the numbered claims (not to scale).

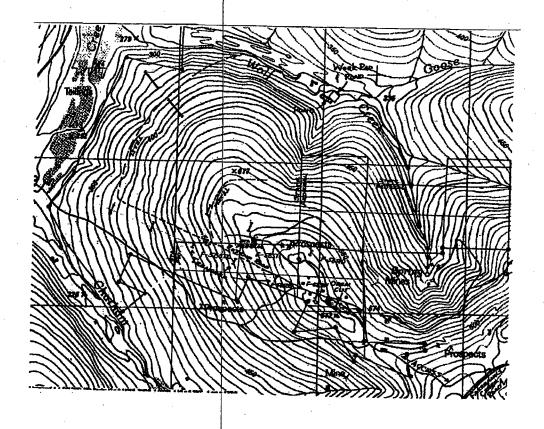
F.H., T3N, RZE



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CHRISTINA VEIN EXPLORATION PROJECT LIVENGOOD (A-1)... N65° 4.15', W147°22.70' MULTI-YEAR PLAN 2007 TO 2008 APMA F-079744 BLM FF-094463 17 MARCH 2007

Exploration Plan... Cut ~8 trenches on federal mining claims and ~4 trenches on state mining claims. Extend road on federal claim by ~1,250 feet to access trench sites. Construct 1 acre work pad and 0.5 acre settling pond near Wolf Creek (not to scale).



METALLOGENY, INC.

NARRATIVE

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CHRISTINA VEIN EXPLORATION PROJECT LIVENGOOD (A-1)... N65° 4.15', W147°22.70' MULTI-YEAR PLAN 2007 TO 2008 APMA F-079744 BLM FF-094463 17 March 2007

Introduction:

Earth Movers of Fairbanks, Inc. has entered into a mining lease with the owners of the Golden Summit Claims, near Wolf Creek and Too Much Gold Creek, within the Fairbanks Mining District. Exploration and mining activities have occurred on these claims for many years and permits have been maintained to conduct ongoing exploration.

In 2007, Earth Movers proposes to continue exploration by cutting approximately 12 trenches across the strike of known lodes located on unpatented federal mining claims and on state mining claims. Small samples will be collected from the trenches and analyzed for gold and other valuable metals and tested for metallurgical properties. The goal of the 2007 program is to identify one or two locations from which to extract up to 10,000 tons to process as a bulk sample in the Fall of 2007 or in the Spring of 2008. A gravel work pad (~1 acre) and settling/recycle pond (~1 acre) will be prepared on Wolf Creek, on previously mined ground, to stockpile and process the bulk sample.

Acess to the claims is by way of existing all-weather roads from Fairbanks Creek Road and from Cleary Creek Road and within the claim block. 0Trails will be constructed to access the trenching sites. Trenches will vary from 50 to 500 feet long by 4 to 8 feet wide by 4 to 10 feet deep. Currently, there is 1 acre on federal land that is disturbed and bonded. The bond will be renewed for 1 acre and increased for 1 additional acre on federal land. The total acreage that will be disturbed in 2007 is less than 5 acres.

Activity on Federal Land:

Extend trail approximately 1250 feet long by 12 feet wide to access trenching sites. Disturbance is ~0.35 acres. Excavate eight exploration trenches from 50 to 75 feet long by 4 feet wide by 6 feet deep disturbing ~0.35 acres and less than 1,000 tons of rock. Therefore, total disturbance on federal lands in 2007 is estimated to be 1.7 acres and less than 1,000 tons.

Activity on State Land:

Excavate four exploration trenches from 150 to 500 feet long by 4 to 8 feet wide by 4 to 10 feet deep disturbing ~0.75 acres and 2,000 cubic yards of rock. Doze a work pad about 200 feet wide by 200 feet long in old mine tailings on Wolf Creek. Construct a small pond, about 200 feet long by 100 feet wide by 3 feet deep to serve as a settling and recycle pond. This disturbance is estimated to be ~1.5 acres and 3,000 cubic yards of tailings. Therefore, total disturbance on state lands in 2007 is estimated to be 2.3 acres and 5,000 cubic yards of gravel and rock.

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POA-2007-663-4, Wolf Creek Jeff Keener, Earth Movers of Fairbanks Drawings dated April 17, 2007 5 of 6

NARRATIVE

General Trenching Procedure:

Place organic material in stockpile alongside trench. Place stony waste on other side of trench. Map and sample trench. When work is complete, reclaim by backfilling with reserved waste, grade surface, and spread organic material.

Bulk Sample:

At this time, it is not known where the bulk sample cuts will be located. The following plan is tentative and subject to the results of trenching. In the event that Earth Movers decides to conduct bulk sampling, an amendment will be submitted to show the exact locations of the bulk sample cut(s). In total, the cut(s) will disturb an area that is cumulatively, about 250 feet long by 25 feet wide by 25 feet deep, giving approximately 10,000 tons of rock sample material. Total surface disturbance due to bulk sample cut(s) is estimated to be 0.5 acres.

The bulk sample will be transported to the process site on Wolf Creek using one to two dumptrucks and stockpiled. At this time, it is proposed to crush the sample with a hammermill at a rate of ~20 tons per hour and to concentrate the ore by gravity methods (sluice, jigs, or centrifugal concentrator). About 400 gpm of process water will be recycled 100% from the settling/recycle pond with zero discharge to Wolf Creek. Makeup water will be added from Wolf Creek with a 4-inch pump at a rate of about 50,000 gpd.

If the results of the bulk sample are unsatisfactory, the bulk sample cut(s) will be reclaimed by sloping pit walls to less than 1:3 and by spreading organic material over the surface. It is anticipated that the sites will re-vegetate naturally and rapidly.

If the results of the bulk sample indicate that mining may be economic, it is planned to continue trenching and to initiate small-scale, open-cut lode mining in 2008.

METALLOGENY, INC.